



## IV. Mid-Career Issues

The book is available separately through the Education Resources Catalog of the Department of Education. Call the Department of Education at 1-800-995-4099 to order the STRS Mid-Career financial and retirement planning book.

If you wish to obtain more information about the Mid-Career program, or to sign up for a workshop, call the STRS automated telephone system at 1-800-228-5453.



### Redeposits

If you return to teaching or other STRS-covered employment, or become eligible for retirement with another public system in California, you may elect to redeposit past refunds plus Regular Interest with STRS DB Plan. (See page 27 for a list of other California public systems.) Redepositing allows you to reinstate the service credit represented by the refunded contributions. (If you are not retiring concurrently with another California public system, you must accrue one year of service credit, following the redeposit, before you are eligible for benefits from STRS.)

If you elect to redeposit, all previously refunded contributions must be repaid along with an amount equal to the investment income that they would have earned in the STRS DB Plan. STRS calculates the investment income component by applying the Regular Interest rate (an interest rate that represents actual STRS investment earnings each year) from the time of the refund to the time of the repayment. The longer the elapsed time between refund and redeposit, the higher the amount of the redeposit will be.

Redepositing does not re-establish your earlier membership date or benefits that may have been available to you before you refunded. For example, if you were a member before July 1, 1980, took a refund and then reestablished STRS membership after July 1,

**A**s you move through your education career in California, you may wish to take advantage of some of the optional programs and features STRS offers.

STRS offers you mid-career financial planning work-shops, the opportunity to redeposit previously refunded contributions and interest, or purchase previously uncredited service, a home loan program, a deferred-compensation savings program, and access to a Long Term Care program of asset protection. If you wish to know more about STRS programs and benefits, you can make an appointment with a STRS Regional Counselor.

### Mid-Career Information Program

A mid-career information program is available to provide benefit information and financial planning education to STRS members. The Program includes information about STRS benefits, financial planning, Social Security, and other subjects, which should prove invaluable to members who are planning for their remaining career and retirement years.

The information is presented in workshops around the state and includes *Make A Plan*, the Mid-Career Information book.



1980, you are not eligible to have any unused sick leave credit added to your service retirement calculation.

The amount you need to redeposit and the benefits from reinstatement of service credit will vary, depending upon your individual situation.

For example, a teacher who withdrew \$5,000 (representing three years of service) in June 1982, and wanted to reinstate those years of credit in June 1993, was required to redeposit \$15,296.89.

Amount withdrawn .....	\$5,000.00
Regular interest .....	\$10,296.89
Total .....	\$15,296.89



If you are considering a refund or redeposit, call STRS Teletalk and request message # 103 to request the *Redeposits*, AD 367A, brochure.

## Purchase of Additional Service Credit

You may elect to purchase service credit for retirement purposes for specific service performed in the past, if it has not been previously credited. This type of service includes, but is not limited to:

- creditable service prior to becoming a member
- sabbatical leave
- certain active military leave
- California University or State University service
- maternity/paternity leave or family care and medical leave
- School for the Blind or Deaf

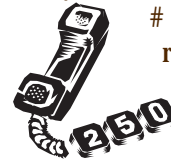
Service credit cannot be purchased if you have received credit, or are eligible to receive credit, for the service in another public retirement system. If you are planning to purchase additional service credit just before your retirement, you must complete payment before the effective date of your retirement.

The cost of additional service credit is calculated by multiplying your highest earnable salary in any one of the most recent three school years of service by the contribution rate for additional service credit and the number of years of service credit to be purchased. The contribution rate for additional service credit is adopted by the Board and is based on the most recent actuarial valuation of the STRS DB Plan.

Members should evaluate the benefits of purchasing additional service credit by comparing its cost with the increase it would provide in their lifetime retirement income.

If you are considering the purchase of additional service credit, you should request a billing statement in writing from STRS.

To obtain more information about purchase of additional service credit call STRS Teletalk system at 1-800-228-5453, and select message # 250, or call STRS Public Service to request a billing statement or request a copy of the STRS brochure *Purchasing Additional Service Credit*, AD 0004.



## Borrowing Against Your STRS Account Balance

State law does not provide for you to borrow against your accumulated contributions and interest on account with STRS.

## CalSTRS 403(b) Program

The Teachers' Retirement Board (TRB) offers the CalSTRS 403(b) Program, a tax-deferred supplemental savings program that complements the STRS Defined Benefit and Cash Balance Plans. All STRS DB Plan members and CB Plan participants are eligible to participate, whether active or retired, by payroll deductions or by moving existing 403(b)/Tax Sheltered Annuity balances to the Program.

The CalSTRS 403(b) Program is designed as a low-cost, simple-to-use investment program, sponsored and overseen by the Teachers' Retirement Board. It features a

comprehensive array of services, competitively priced, with expanded investment options selected by STRS. The Program administrator, State Street Bank and Trust Company, has demonstrated outstanding industry leadership as one of the largest full-service plan administrators and record keepers for employee retirement savings plans in the nation.

### Investment Options



CalSTRS 403(b) Program participants select from a menu of high-quality investment options. Each fund offers a distinct profile of risk and return characteristics to provide you with choice and control. Additional options may be added at a later date. Investment options currently offered are:

- **Provident Institutional Fund's TempCash Prime Money Market Mutual Fund**  
A prime money market portfolio investing in high-quality government and corporate securities, and focusing on safety of principal, liquidity, and competitive rates of return.
- **The S&P 500 Index Fund**  
A diversified mutual fund designed by the California Investment Trust Fund Group to provide investment results corresponding to the total return of common stocks publicly traded in the United States, as represented by the Standard & Poors 500 Stock Index.
- **The Self-Managed Account**  
Enables participants to expand their investment choices by directing their CalSTRS 403(b) Program assets into additional mutual funds of their choice. Participants can invest in more than 1,800 mutual funds.

### Program Service

State Street Bank and Trust Company of Boston provides customer support seven days a week, with 24-hour-a-day automated access by touch-tone telephone for information and a full range of transactions. Daily accounting provides current information to help you make informed decisions, with customer service representatives available to answer your questions.

### CalSTRS 403(b) Fees

The Board directed that the Program provide for low-cost fees. Based on industry standards, fees for the CalSTRS 403(b) Program are about one-half of typical program fees. Fee schedules are published in materials available to members who call the toll-free number.

STRS members can participate in the CalSTRS 403(b) Program in two ways:

- payroll deductions from STRS covered employment into the CalSTRS 403(b) Program
- transfer or "roll over" from an existing balance in another 403(b)/TSA into the CalSTRS 403(b) Program.

STRS members who are no longer employed in STRS-covered employment can still "roll over" an existing balance from another plan into the CalSTRS 403(b), but they cannot contribute additional funds until they resume STRS-covered employment. STRS retirees are also eligible to participate in the CalSTRS 403(b) by transferring funds from their current 403(b)/TSA balance to the CalSTRS Program.

For more information or to learn more about the new CalSTRS 403(b) Program and to find out how to enroll, call 1-800-699-4032. Representatives are available Monday–Friday, 7:00 AM to 9:00 PM and Saturday and Sunday, 9:00 AM to 5:00 PM.



### The Dave Elder STRS Home Loan Program

Active, inactive, and retired members of STRS can apply for conventional, fixed-rate, first mortgage loans for primary residences through the Dave Elder STRS Home Loan Program. The program provides loans to members, and is a prudent investment of STRS retirement funds.

For further information about the STRS Member Home Loan Program, including eligibility, interest rates, and loan fees, contact your local Bank of America Mortgage, or Bank of America "Loan by Phone" at 1-800-843-2632, or Norwest Mortgage at 1-800-548-9056.



## Long Term Care Coverage

The Public Employees' Retirement System offers a long term care (LTC) program to both STRS and PERS members, retired members and their spouses, parents and parents-in-law. This program provides personal care that some may need as a result of suffering an accident, a chronic illness, or a disabling disease like Alzheimers. The LTC program provides high-quality care and comprehensive coverage at a reasonable cost.

Call PERS Long Term Care direct at 1-800-338-2244 for information and an enrollment kit. Long Term Care information can also be obtained from the PERS LTC world wide web home page. The World Wide Web address is <http://www.calpers.ca.gov>.



## Regional Counseling Services

STRS-trained Regional Counselors are available in most county offices of education throughout the state. Regional Counselors hold workshops and conduct individual pre-retirement counseling at a variety of locations. See Section X, General Information, for information on the Regional Counseling Center near you.

There are specific times during your career when STRS recommends a personal interview:

- at least once before age 55, or earlier if you have 30 years of service credit
- prior to making a decision to submit a disability application
- prior to making a decision on the pre-retirement election of an option

- prior to filing a retirement application  
A retirement counselor will outline the options available and provide an estimate of your retirement allowance.

- prior to making a decision to reinstate to STRS membership after retirement

Reinstatement to membership after retirement and a subsequent second retirement may result in a different monthly allowance than the initial retirement allowance.

